



## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-580-876]

#### **Welded Line Pipe from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2019-2020**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) preliminarily determines that certain producers/exporters subject to this administrative review made sales of subject merchandise at less than normal value (NV). Interested parties are invited to comment on these preliminary results of review.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** David Goldberger or Adam Simons, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4136 or (202) 482-6172, respectively.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

On February 4, 2021, based on timely requests for review, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review of the antidumping duty order on welded line pipe from the Republic of Korea (Korea).<sup>1</sup> The period of review is December 1, 2019, through November 30, 2020. In August 2021, we extended the preliminary results of this review

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<sup>1</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 8166 (February 4, 2021); see also *Welded Line Pipe from the Republic of Korea and the Republic of Turkey: Antidumping Duty Orders*, 80 FR 75056, 75057 (December 1, 2015) (*Order*).

to no later than December 30, 2021.<sup>2</sup> For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>3</sup>

### Scope of the Order

The merchandise subject to the *Order* is welded line pipe.<sup>4</sup> The product is currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) item numbers: 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.5000, 7306.19.1010, 7306.19.1050, 7306.19.5110, and 7306.19.5150. Although the HTSUS subheadings are provided for convenience and for customs purposes, the written product description remains dispositive.

### Methodology

Commerce is conducting this review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). Export price and constructed export price are calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>. A list of the topics discussed in the Preliminary Decision Memorandum is attached as Appendix I to this notice.

### Preliminary Determination of No Shipments

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<sup>2</sup> *See* Memorandum, "Extension of Deadline for Preliminary Results of 2019-2020 Antidumping Duty Administrative Review," dated August 9, 2021.

<sup>3</sup> *See* Memorandum, "Decision Memorandum for the Preliminary Results of the 2019-2020 Administrative Review of the Antidumping Duty Order on Welded Line Pipe from Korea," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>4</sup> For a complete description of the scope of the order, *see* Preliminary Decision Memorandum.

Among the companies under review, HiSteel Co., Ltd. (HiSteel) properly filed a statement that it made no shipments of subject merchandise to the United States during the POR.<sup>5</sup> Based on its certification and our analysis of U.S. Customs and Border Protection (CBP) information, we preliminarily determine that HiSteel had no reviewable transactions during the POR.<sup>6</sup> Consistent with our practice, we are not preliminarily rescinding the review with respect to HiSteel. Instead, we will complete the review for HiSteel and issue appropriate instructions to CBP based on the final results of this review.<sup>7</sup>

#### Preliminary Results of the Review

As a result of this review, we preliminarily determine the following weighted-average dumping margins for the period December 1, 2019, through November 30, 2020:

<b>Producer or Exporter</b>	<b>Weighted-Average Dumping Margin (Percent)</b>
Hyundai Steel Company <sup>8</sup>	1.93
SeAH Steel Corporation	0.00
Companies Not Selected for Individual Review <sup>9</sup>	1.93

#### Review-Specific Average Rate for Companies Not Selected for Individual Review

The exporters or producers not selected for individual review are listed in Appendix II.

#### Assessment Rates

<sup>5</sup> See HiSteel's Letter., "No Shipments Letter," dated March 5, 2021.

<sup>6</sup> See Memorandum, "Results of No Shipments Inquiry for HiSteel Co., Ltd.," dated April 6, 2021.

<sup>7</sup> See, e.g., *Welded Line Pipe From the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2016–2017*, 84 FR 4046, 4047 (February 14, 2019), unchanged in *Welded Line Pipe from the Republic of Korea: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2016–2017*, 84 FR 27762 (June 14, 2019).

<sup>8</sup> We also initiated an administrative review of Hyundai HYSCO. In 2015, Hyundai HYSCO merged with Hyundai Steel subsequent to the period of investigation and Hyundai HYSCO no longer exists. See *Welded Line Pipe from the Republic of Korea: Final Determination of Sales at Less Than Fair Value*, 80 FR 61366 (October 13, 2015), and accompanying Issues and Decision Memorandum at 1.

<sup>9</sup> Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually examined, excluding any margins that are zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}." For these preliminary results, we have preliminarily calculated a weighted-average dumping margins for these companies using the calculated rates of the mandatory respondents, Hyundai Steel and SeAH, which are not zero or *de minimis*, or determined entirely on the basis of facts available.

Upon issuing the final results, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries.

Pursuant to 19 CFR 351.212(b)(1), where Hyundai Steel Company (Hyundai Steel) reported the entered value of its U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. SeAH Steel Corporation (SeAH) did not report actual entered value for all of its U.S. sales; in such instances, we calculated importer-specific per-unit duty assessment rates by aggregating the total amount of antidumping duties calculated for the examined sales and dividing this amount by the total quantity of those sales. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, we will assign an assessment rate based on the weighted average of the cash deposit rates calculated for Hyundai Steel and SeAH excluding any which are zero, *de minimis*, or determined entirely on adverse facts available. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.<sup>10</sup>

Commerce's "automatic assessment" practice will apply to entries of subject merchandise during the POR produced by Hyundai Steel or SeAH for which the reviewed companies did not know that the merchandise they sold to the intermediary (*e.g.*, a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.

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<sup>10</sup> See section 751(a)(2)(C) of the Act.

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

#### Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the companies listed above will be that established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously investigated or reviewed companies not covered in this review, the cash deposit rate will continue to be the company-specific cash deposit rate published for the most recently completed segment of this proceeding in which the company participated; (3) if the exporter is not a firm covered in this review, or the less-than-fair-value (LTFV) investigation, but the manufacturer is, then the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 4.38 percent, the all-others rate established in the LTFV investigation.<sup>11</sup> These deposit requirements, when imposed, shall remain in effect until further notice.

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<sup>11</sup> See *Order*.

## Disclosure

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.<sup>12</sup>

## Verification

On May 17, 2021, Commerce received a request from domestic producers Maverick Tube Corporation (Maverick) and IPSCO Tubulars Inc. (IPSCO Tubulars) to conduct verification of the responses in this administrative review.<sup>13</sup> Commerce is currently unable to conduct on-site verification of the information relied upon for the final results of this review. Accordingly, we intend to take additional steps in lieu of on-site verification. Commerce will notify interested parties of any additional documentation or information required.

## Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance. A timeline for the submission of case briefs and written comments will be provided to interested parties at a later date. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the time limit for filing case briefs.<sup>14</sup> Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>15</sup> Case and rebuttal briefs should be filed using ACCESS.<sup>16</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS within 30 days after the date of publication of this notice.<sup>17</sup> Hearing

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<sup>12</sup> See 19 CFR 351.224(b).

<sup>13</sup> See Maverick's and IPSCO Tubulars' Letter, "Request for Verification," dated May 17, 2021.

<sup>14</sup> See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

<sup>15</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>16</sup> See 19 CFR 351.303.

<sup>17</sup> See 19 CFR 351.310(c).

requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Oral presentations at the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing.<sup>18</sup>

### Final Results

Commerce intends to issue the final results of this administrative review, including the results of its analysis raised in any written briefs, not later than 120 days after the publication of these preliminary results in the *Federal Register*, unless otherwise extended.<sup>19</sup>

### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: December 30, 2021.

**Ryan Majerus,**  
*Deputy Assistant Secretary  
for Policy and Negotiations,  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance.*

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<sup>18</sup> See 19 CFR 351.310(d).

<sup>19</sup> See section 751(a)(3)(A) of the Act.

## **Appendix I**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Preliminary Determination of No Shipments
- V. Discussion of the Methodology
- VI. Recommendation



## **Appendix II**

### **Review-Specific Average Rate Applicable to Companies Not Selected for Individual Review**

1. AJU Besteel Co., Ltd.
2. BDP International, Inc.
3. Daewoo International Corporation
4. Dong Yang Steel Pipe
5. Dongbu Incheon Steel Co.
6. Dongbu Steel Co., Ltd.
7. Dongkuk Steel Mill
8. EEW Korea Co., Ltd.
9. Husteel Co., Ltd.
10. Hyundai RB Co. Ltd.
11. Kelly Pipe Co., Ltd.
12. Keonwoo Metals Co., Ltd.
13. Kolon Global Corp.
14. Korea Cast Iron Pipe Ind. Co., Ltd.
15. Kurvers Piping Italy S.R.L.
16. Miju Steel MFG Co., Ltd.
17. MSTEEL Co., Ltd.
18. NEXTEEL Co. Ltd.
19. Poongsan Valinox (Valtimet Division)
20. POSCO
21. POSCO Daewoo
22. R&R Trading Co. Ltd.
23. Sam Kang M&T Co., Ltd.
24. Sin Sung Metal Co., Ltd.
25. SK Networks
26. Soon-Hong Trading Company
27. Steel Flower Co., Ltd.
28. TGS Pipe
29. Tokyo Engineering Korea Ltd.

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